



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Community Services

CM/DCM/ACM: Christine Taylor

DATE: August 19, 2025

SUBJECT

Consider approval of a resolution of the City of Denton approving the issuance and sale by Legacy Denton Public Facility Corporation of Multifamily Housing Revenue Bonds (Waterford at Spencer Oaks) Series 2025 to provide affordable rental housing; and providing an effective date.

BACKGROUND

4% Housing Tax Credit Program

On August 5, 2025, City Council will consider a Resolution of No Objection to 2100 Spencer Road (TX) Owner LP.'s 4% housing tax credit application to the Texas Department of Housing and Community Affairs for the proposed rehabilitation of Waterford at Spencer Oaks Apartments in Denton, Texas to provide affordable rental housing (ID 25-1039)

The tax credits are awarded to eligible participants and provide a source of equity financing for the development of affordable housing. Investors in qualified affordable multifamily residential developments can use the HTC's as a dollar-for-dollar reduction of federal income tax liability. The value associated with the HTC's allows housing to be leased to qualified families at below market rate rents. The Non-Competitive (4%) Housing Tax Credit program is coupled with the Multifamily Bond Program when the bonds finance at least 50% of the cost of the land and buildings in the Development.

Multifamily Housing Revenue Bonds (Waterford at Spencer Oaks) Series 2025

Legacy Denton Public Facility Corporation (LDPFC) is a nonprofit public facility corporation created by the Denton Housing Authority. The LDPFC has induced the issuance of Multifamily Housing Revenue Bonds (Waterford at Spencer Oaks) Series 2025 (Bonds), to be issued in one or more series of tax-exempt bonds or governmental notes in an aggregate principal amount not to exceed \$49,000,000. The proceeds of the Bonds will be loaned to the borrower 2100 Spencer Road (TX) Owner LP., a Texas limited partnership. The proceeds will finance a portion of the costs of rehabilitation the 208-unit residential rental development to be known as the Waterford at Spencer Oaks.

Public approval requirement of § 147(f) of the Internal Revenue Code

The purpose of the approval requirement of § 147(f) is to ensure that the affected members of the general public will be notified of a pending bond issue and made aware of the intended use of proceeds in order to elicit comments that will ensure a substantial public benefit from issuing the bonds.

Legacy Denton Public Facility Corporation (LDPFC) has requested the City Council approve the issuance of the Bonds for purposes of Section 147(f) of the Code and for purposes of permitting the Issuer to finance the project.

Section 147(f) generally requires that both the governmental unit that issues the bonds (LDPFC) and a governmental unit with jurisdiction over the location of the financed project (City of Denton) approve an issue of private activity bonds.

OPTIONS

1. Approve the Resolution
2. Do not approve the Resolution

FISCAL INFORMATION

The City has no obligation with respect to the Bonds.

EXHIBITS

Exhibit 1 - Agenda Information Sheet

Exhibit 2 - Presentation

Exhibit 3 - Resolution

Exhibit 4 - ISR 2025-057

Respectfully submitted:
Jesse Kent
Director of Community Services

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